Introduction

This document sets out how Burberry's Taskforce on Climate-related Financial Disclosures (TCFD) reporting has been prepared. It forms the criteria against which Burberry's TCFD disclosure has been assessed as part of Ernst & Young LLP's assurance activities.

Basis of reporting

The climate-related financial disclosures are prepared to be consistent with the TCFD Recommendations and Recommended Disclosures. We evaluate consistency against:

- Section C of the TCFD Annex entitled "Guidance for All Sectors" (October 2021)
- Section C of the TCFD Technical Supplement "The Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities" (June 2017) entitled "Developing and Applying Scenario Analysis".

In preparing our TCFD disclosures, we have applied the TCFD Principles for Effective disclosure, including:

	Principle for Effective disclosure	How Burberry apply the principle
1.	Disclosures should represent relevant information	Disclosures consider all relevant material information that impacts how Burberry creates value, within direct operations and the supply chain, and are provided in a sufficient detail to enable users to assess Burberry's exposure to and approach to climate-related issues. If disclosures are immaterial, they have been removed to focus on relevant information, however a statement has been included that the risk or issue is not significant.
2.	Disclosures should be specific and complete	Disclosures provide a thorough overview of exposure to climate-related impacts, including the nature, timeframe, and size of such impacts. For quantitative information, disclosures contain clear definitions and state the scope and any key assumptions. Quantitative information is based on the data used by management for decision making, including the financial 5-year plan. Disclosures explain the key data inputs into the scenario analysis, the emissions trajectories modelled, the time horizon of the modelling, and any limitation of the work.
3.	Disclosures should be clear, balanced, and understandable	Disclosures provide a straightforward explanation of issues, with terms sufficiently explained for a proper understanding by users. Disclosures on climate-related risk and opportunity neither materially overstate, nor understate the impact.
4.	Disclosures should be consistent over time	Whilst disclosures are intended to be consistent over time, they explain any changes in disclosures and approaches to understand the development of climate-related issues on the business and allow for inter-period comparisons.

		Disclosures comment on changes and developments since previous reporting, to aid user understanding.
5.	Disclosures should be comparable among companies within a sector, industry, or portfolio	Disclosures consider the available TCFD reporting for companies in Burberry's sector, and companies with similar climate risks. These are used to inform disclosures to enable and promote comparison.
6.	Disclosures should be reliable, verifiable, and objective	Disclosures provide high-quality reliable information, which is accurate and neutral. Disclosures use scenario analysis that is appropriate to Burberry's scale and risk profile, drawing on the skills and methodologies of relevant experts. In the current year Burberry was in partnership with Risilience (formerly the University of Cambridge's Centre for Risk Studies). Inputs into the scenario modelling are verifiable. This includes industry reference scenarios on climate emissions pathways, the Group's financial forecasts, operational footprint, supply chain information and environmental data.
7.	Disclosures should be provided on a timely basis	Disclosures are delivered and updated annually in the Annual Report. In the case of disruptive climate event with a material financial impact, a timely update of climate-related disclosures is provided where appropriate.